



PRESS RELEASE

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Former District of Columbia Attorney Indicted on \$2 Million Investment Fraud Scheme

A federal grand jury sitting in the District of Columbia returned an indictment yesterday against a former attorney, charging her with conspiracy, securities fraud, obstruction of justice and failure to timely file tax returns and pay taxes, all federal offenses, announced Principal Deputy Assistant Attorney General Caroline D. Ciraolo, head of the Justice Department's Tax Division. She also was charged with first-degree fraud, a District of Columbia offense.

The indictment alleges that Brynee Baylor, a former partner in the District of Columbia firm of Baylor & Jackson, conspired with a Pennsylvania man and his company known as Milan Group to recruit investors to a purported trading program that promised extremely large profits in a short period of time with little or no risk. The purported trading program was sometimes called a private placement and involved the use of trading platforms and monetizing and leasing foreign bank instruments.

According to the indictment, in 2010 and 2011, Baylor caused more than \$2 million of investor funds to pass through the Baylor & Jackson trust account. More than half of the investor funds went for the benefit of Baylor, the Pennsylvania man, Milan Group and Baylor & Jackson. Baylor falsely assured investors that the purported trading program was legitimate, that it had little, if any, risk and that she had observed investors successfully complete transactions with Milan Group. In reality, Milan Group failed to complete any such transactions and failed to return any of the money invested.

In 2011, the Securities and Exchange Commission (SEC) sued Baylor and others for fraud in connection with the purported trading program. The indictment alleges that Baylor endeavored to obstruct justice in the SEC case by making false statements in depositions and in an affidavit.

If convicted, Baylor faces a statutory maximum sentence of five years in prison on the conspiracy count, 20 years in prison on the securities fraud count, 10 years in prison on each of the six counts of first degree fraud, 10 years in prison for the obstruction of justice count, and one year in prison on each of two counts of failing to timely file tax returns and pay taxes. Baylor will also face a term of supervised release and monetary penalties.

An indictment merely alleges that crimes have been committed and a defendant is presumed innocent until proven guilty beyond a reasonable doubt.

Principal Deputy Assistant Attorney General Ciraolo thanked the SEC for its invaluable assistance and commended special agents of IRS-Criminal Investigation, who conducted the investigation and Trial Attorneys Kenneth Vert and Jeffrey McLellan of the Tax Division, who are prosecuting the case.

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